

**CONSUMERS GAS COMPANY**

**Gas Stored Underground**

**ICC Docket 00-  
Section 285.7300  
Schedule G-8.a**

C. A. Robinson - President  
812-477-9030

Consumers only has leased storage space in Egyptian Gas Storage Corporation's Mills Storage Field in Gallatin County, Illinois. Gas is delivered to Consumers on Texas Eastern's line and to the Mills Storage Field by Egyptian's 6" and 4" pipeline

The Storage field is not registered with FERC as all gas stays within the state of Illinois.

**CONSUMERS GAS COMPANY**

**Gas Stored Underground**

**ICC Docket 00-  
Section 285.7300  
Schedule G-8.b**

C. A. Robinson - President  
812-411-9030

1. Consumers leases storage space in Egyptian Gas Storage Corporation's Mills Storage Field located in Gallatin County, Illinois.
2. Consumers has a contract to store 160,000 DTH of gas with 50,000 DTH being cushion gas. Therefore the working gas is 110,000 DTH.
3. The method of inventory is FIFO.
4. Consumers maximum daily deliverability is 2,000 DTH from storage.
5. Based on need the maximum daily deliverability will be 2,000 DTH.
6. Consumers can inject storage gas from May through September.
7. Gas is withdrawn for both peak shaving and base-loading. Gas withdrawn for peak shaving reduces our demand charge. Also, gas purchased in the summer is usually cheaper than gas purchased during the winter months.

**CONSUMERS GAS COMPANY**

**Gas Stored Underground**

**ICC Docket 00-  
Section 7300  
Schedule G-8.c**

C. A. Robinson - President  
812-477-9030

1. Based on weather conditions storage gas can be regulated at the storage field to allow Consumers to receive gas at Omaha and Carmi. Consumers owns a direct 3" line from the storage field to Omaha and uses Egyptian's 6" line to Carmi. Gas is metered at the field for Omaha and at our border station for Carmi.
2. Consumers is allowed a maximum of 2,000 DTH for delivery on an anticipated peak day.
3. Consumers has a contract with Egyptian Gas Storage detailing the cost of storage gas. See Exhibit 285.7300 for a copy of the gas storage contract.
4. Although there is an injection and withdrawal charge of \$ .10 per DTH, there is no transportation charge from Texas Eastern tap into the field or from storage to Consumers Omaha and Carmi metering points. However, there is a Contract Daily Demand charge for 300 DTH @ \$2.50 per DTH and a \$ .15 per DTH transportation charge for gas transported and distributed to Consumers' customers using Egyptian's main gas storage pipeline.

**CONSUMERS GAS COMPANY**

**Adequacy of Underground Storage**

**ICC Docket 00  
Section 285.7310  
Schedule G-9**

C. A. Robinson - President

The storage volume of 160,000 DTH was the approved volume in the Order of ICC Docket 97-0339. As Consumers has annual sales of 850,000 DTH to 1,050,000 DTH the 160,000 DTH of storage provides the necessary gas to decrease our reservation charge by peak shaving and also, allows for the purchase of low cost gas during the summer months and this results in a lower gas price to customers during the winter months.

There have been no economic data calculated for the test year; however, Exhibit 285.7310-1 shows the economics of gas storage from 1994 through 8 months of 1997. Similar savings to our gas customers would also apply to 1999, our test year. In 1999 our reservation charge amounted to \$3.69/DTH and as we cut our peak day purchases by 2,000 DTH, we have an annual savings of \$88,560. Exhibit 285.7310-2 is a cost analysis for the year 1997, which results in a savings of \$54,970.33 to our customers by having gas storage.

In addition, storage offers insurance to our customers if there was a pipeline failure by Texas Eastern. The stored volume of 160,000 DTH would be sufficient to handle Consumers' complete system for over 30 days.

CONSUMERS GAS COMPANY

Underground Gas Storage Activity

ICC Docket 00-  
Section 285.7305  
Schedule G-9

Constance D. Warren - Accounting  
812-477-9030

'Injections & Withdrawals from Storage Field (DTH)

	FOR YEAR 1999		FOR YEAR 1998		FOR YEAR 1997		FOR YEAR 1996		FOR YEAR 1995		FOR YEAR 1994	
	INJ.	W/D	INJ.	W/D	INJ.	W/D	INJ.	W/D	INJ.	W/D	INJ.	W/D
JAN		33,280		22,798		33,280		16,466		10,662		9,353
FEB		22,564		23,751		22,564		5,365		8,586		7,794
MAR		22,534		3,561		22,534		5,232		6,628		2,450
APR		2,085		14,293		2,085		5,963		4,862		1,449
MAY		679		646		679		396		654		858
JUN	24,375	450	29,449	494	31,766	450	45,809	492	10,208	406	16,243	402
JUL	31,689	414	30,107	383	30,744	414	16,434	371	10,370	428	15,980	373
AUG	31,348	442	23,921	614	31,000	442	20,866	1,000	21,186	286	18,054	384
SEP	30,394	603	29,691	1,595	31,570	603	16,426	979	10,271	626	8,638	1,755
OCT		1,159		1,296		1,159	255,873	4,148		1,785		1,549
NOV		9,384		8,411		9,384		8,392		1,167		5,002
DEC		20,282		29,437		20,282		23,894		14,624		6,310

All cushion gas is inventoried on LIFO as it would be final gas withdrawn at end of contract.  
50,000 DTH of gas is maintained as cushion in the field.  
There is a 2% shrinkage as is illustrated in Exhibit 285.7305

CONSUMERS GAS COMPANY

Gas Stored Underground

Constance D. Warren - Accounting  
812-477-9030

ICC DOCKT 00-  
EXHIBIT 7305

	Prior year Balance	1998 GAS INJECTION TIERS					TOTALS
		JUNE	JULY	AUG	SEPT	OCT	1998
DTH's		30,050	30,721	24,409	30,297	0	115,477
Shrinkage - 2%		(801)	(614)	(488)	(606)	0	(2,310)
DTH's Available for w/d	14,409	29,449	30,107	23,921	29,691	0	113,167
Cost		\$ 71,519.00	\$ 79,874.80	\$ 56,628.88	\$ 84,411.49	0	\$ 292,433.97
DTH COST	\$ 3,0119	\$ 2,4286	\$ 2,6531	\$ 2,3673	\$ 2,8430	0	\$ 2,5841
REMAINING DTH'S	-	-	(0)	(0)	13,701	-	
REMAINING COST	-	-	\$ (1.11)	\$ (0.43)	\$ 38,952.02	\$ -	

WITHDRAWALS FOR YEAR 1999

JANUARY	14,409	18,871					33,280
FEBRUARY		10,578	11,988				22,564
MARCH			18,121	4,413			22,534
APRIL				2,085			2,085
MAY				579			579
JUNE				450			450
JULY				414			414
AUGUST				442			442
SEPTEMBER				803			803
OCTOBER				1,159			1,159
NOVEMBER				9,384			9,384
DECEMBER				4,292	15,990		20,282
	14,409	-	29,449	30,107	23,921	15,990	-
							113,876

WITHDRAWAL COSTS

JANUARY	\$ 43,398.47	\$ 45,828.57	\$ -	\$ -	\$ -	\$ -	\$ 89,228.04
FEBRUARY		\$ 25,689.43	\$ 31,789.59	\$ -	\$ -	\$ -	\$ 57,489.02
MARCH		\$ -	\$ 48,076.12	\$ 10,447.10	\$ -	\$ -	\$ 58,523.22
APRIL		\$ -	\$ 0.00	\$ 4,935.92	\$ -	\$ -	\$ 4,935.92
MAY		\$ -	\$ 0.00	\$ 1,807.43	\$ -	\$ -	\$ 1,807.43
JUNE		\$ -	\$ 0.00	\$ 1,085.31	\$ -	\$ -	\$ 1,085.31
JULY		\$ -	\$ 0.00	\$ 980.08	\$ -	\$ -	\$ 980.08
AUGUST		\$ -	\$ 0.00	\$ 1,046.37	\$ -	\$ -	\$ 1,046.37
SEPTEMBER		\$ -	\$ 0.00	\$ 1,427.51	\$ -	\$ -	\$ 1,427.51
OCTOBER		\$ -	\$ 0.00	\$ 2,743.76	\$ -	\$ -	\$ 2,743.76
NOVEMBER		\$ -	\$ 0.00	\$ 22,215.18	\$ -	\$ -	\$ 22,215.18
DECEMBER		\$ -	\$ 0.00	\$ 10,180.85	\$ 45,459.47	\$ -	\$ 55,620.12
COST W/H	\$43,398.47	\$71,519.00	\$79,875.71	\$56,629.31	\$45,459.47	\$0.00	\$296,881.96

1999 GAS INJECTION TIERS					TOTALS
JUNE	JULY	AUG	SEPT	OCT	1999
24,375	31,689	31,348	30,394	-	117,806
(488)	(834)	(827)	(808)	-	(2,356)
23,888	31,055	30,721	29,786	-	115,450
\$ 59,475.00	\$ 78,588.72	\$ 89,498.54	\$ 84,411.49	\$ -	\$ 311,873.75
\$ 2,4896	\$ 2,5306	\$ 2,8133	\$ 2,8339	#DIV/0!	